

Special/Capital Funds Recommended Budget Adjustments Summary Annual Report 2007-2008

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
AIRPORT CAPITAL IMPVT FUND (520)				
Ending Fund Balance Adjustment	Airport Capital Program		(\$1,566,488)	
Decreases the Ending Fund Balance to offset the actions recommended in this report.				
Grant Income	Airport Capital Program			(\$1,581,604)
Decreases grant income to reflect revenues not received for the Airport Rescue and Fire Fighting Facility Upgrade project. The project's remaining budget has been allowed to fall to Ending Fund Balance.				
Transfer from Airport Renewal and Replacement Fund	Airport Capital Program			\$15,116
Establishes a transfer to the Airport Capital Improvement Fund (520) from the Airport Renewal and Replacement Fund (527) to more accurately align local-share and grant-funded resources for the Airfield Sign Replacement and security grant projects. There is a corresponding transaction in the Airport Renewal and Replacement Fund (527).				
TOTAL AIRPORT CAPITAL IMPVT FUND (520)			(\$1,566,488)	(\$1,566,488)
AIRPORT CUST FAC & TRANS FD (519)				
Airport Rental Car Activity	Airport			(\$623,000)
Adjusts Airport Customer Facility and Transportation Fee revenues to reflect a reduction in projected activity. As reported in various Airport reports, Airport activity has been impacted by both the high cost of fuel and general economic conditions. Current projections call for an approximate 10% reduction in passengers.				
Airport Rental Car Activity - Transfer to Airport Rev. Bond Imp. Fund	Airport		(\$623,000)	
Decreases the transfer to the Airport Revenue Bond Improvement Fund (526) to reflect the reduction in available capital fee revenue associated with lower airport activity levels. This reduction will be partially offset with an increase to the rental car agency contribution. There is a corresponding action in the Airport Revenue Bond Improvement Fund (526).				
Retirement Pre-Payment Reserve	Airport		\$2,041	
As discussed in the General Fund Recommended Budget Adjustments Summary Section of this report, establishes a reserve from retirement pre-payment savings for final payroll amounts related to the pre-payment of the City's contribution to its two retirement plans. If this reserve level proves to be overfunded, it is recommended that the savings be used towards funding the City's GASB 43-45 health care liability.				
Retirement Pre-Payment Savings	Airport		(\$2,041)	
TOTAL AIRPORT CUST FAC & TRANS FD (519)			(\$623,000)	(\$623,000)
AIRPORT FISCAL AGENT FUND (525)				

Special/Capital Funds Recommended Budget Adjustments Summary Annual Report 2007-2008

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
AIRPORT FISCAL AGENT FUND (525)				
<i>Airport 2004 A/B Long-Term Debt - Interest Payment</i>	Airport		(\$6,123,000)	
Decreases Interest Payment by \$6,123,000. Refunding of the 2004 A/B variable rate bonds (completed in April 2008) decreases the interest payment due from the Airport Fiscal Agent Fund.				
<i>Airport 2004 A/B Long-Term Debt - Reserve for Debt Service</i>	Airport		\$5,783,000	
Increases the Ending Fund Balance, Reserve for Debt Service, to offset the actions recommended in this report.				
<i>Airport 2004 A/B Long-Term Debt - Transfer to Airport Revenue Fund</i>	Airport		\$340,000	
Increases the transfer to the Airport Revenue Fund (521) from the Airport Fiscal Agent Fund (525) since interest earned on the 2004 A/B bond reserve accounts can be made available for general airport use. The 2004 A/B variable rate bonds were refunded in April 2008. There is a corresponding transaction in the Airport Revenue Fund (521).				
TOTAL AIRPORT FISCAL AGENT FUND (525)			\$0	\$0
AIRPORT MAINT & OPER FUND (523)				
<i>Airport Commercial Paper Fees</i>	Airport		\$387,000	
Increases funding to the Non-Personal/Equipment appropriation for financial services related to the Airport's Commercial Paper program. The Commercial Paper program was expanded to refinance the 2004 A/B variable rate bonds. This action is offset by a decrease to the Airport's Contingency Reserve.				
<i>Airport Commercial Paper Fees</i>	Airport		(\$387,000)	
Decreases the Contingency Reserve for funds related to financial services for the Airport's Commercial Paper program. The Commercial Paper program was expanded to refinance the 2004 A/B variable rate bonds.				
<i>Airport West/FMC Property - Property Lease Payment</i>	Airport		(\$5,350,000)	
Decreases Property Lease Payment by \$5.35 million. This action recognizes the decreased need for 2008-2009 funding associated with the Airport West/FMC property. The developer's option payment allows Airport costs to be reduced.				
<i>Airport West/FMC Property - Transfer from Airport Rev Fund</i>	Airport			(\$5,350,000)
Reduces the transfer from the Airport Revenue Fund (521) by \$5.35 million. This action recognizes a decrease in 2008-2009 funding required for the Airport West/FMC property. The developer's option payment will fund the 2008-2009 property cost, and as a result, Airport costs will be reduced.				
<i>FMC Property Lease Payment Interest</i>	Airport		\$450,000	
Increases Airport's Non-Personal/Equipment appropriation to fund the necessary interest costs associated with commercial paper used to pay the FMC property debt service. There is an offsetting adjustment that decreases Airport's Property Lease Payment appropriation.				

Special/Capital Funds Recommended Budget Adjustments Summary Annual Report 2007-2008

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
AIRPORT MAINT & OPER FUND (523)				
<i>FMC Property Lease Payment Interest - Property Lease Payment</i>	Airport		(\$450,000)	
Decreases Airport's Property Lease Payment appropriation to fund the necessary interest costs associated with commercial paper used to pay the FMC property debt service. There is an offsetting adjustment that increases Airport's Non-Personal/Equipment appropriation, from which the interest payment shall be made.				
<i>Refunding of Airport 2004 A/B Bonds - Contingency Reserve</i>	Airport		(\$41,000)	
Reduces the Airport's Operating Contingency to account for costs associated with the refunded 2004 A/B bonds with commercial paper. Refinancing was done in spring 2008 to take advantage of the lower interest rates available for commercial paper versus long-term variable debt rates. There are corresponding transactions that reallocate these resources from the Airport Maintenance and Operation Fund (523) to the Airport Surplus Revenue Fund (524).				
<i>Refunding of Airport 2004 A/B Bonds - Transfer to Air Surpl Rev Fd</i>	Airport		\$41,000	
Establishes a transfer to the Airport Surplus Revenue Fund (524) from the Airport Maintenance and Operation Fund (523) to account for costs associated with the refunded 2004 A/B bonds with commercial paper. Refinancing was done in spring 2008 to take advantage of the lower interest rates available for commercial paper versus long-term variable debt rates.				
<i>Retirement Pre-Payment Reserve</i>	Airport		\$246,262	
As discussed in the General Fund Recommended Budget Adjustments Summary Section of this report, establishes a reserve from retirement pre-payment savings for final payroll amounts related to the pre-payment of the City's contribution to its two retirement plans. If this reserve level proves to be overfunded, it is recommended that the savings be used towards funding the City's GASB 43/45 health care liability.				
<i>Retirement Pre-Payment Savings</i>	Airport		(\$237,763)	
<i>Retirement Pre-Payment Savings</i>	City Attorney		(\$4,488)	
<i>Retirement Pre-Payment Savings</i>	City Manager		(\$565)	
<i>Retirement Pre-Payment Savings</i>	Finance		(\$768)	
<i>Retirement Pre-Payment Savings</i>	Information Technology		(\$1,056)	

Special/Capital Funds Recommended Budget Adjustments Summary Annual Report 2007-2008

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
AIRPORT MAINT & OPER FUND (523)				
<i>Retirement Pre-Payment Savings</i>	Parks, Rec And Neigh Svcs		(\$430)	
<i>Retirement Pre-Payment Savings</i>	Plan, Bldg And Code Enf		(\$367)	
<i>Retirement Pre-Payment Savings</i>	Public Works		(\$825)	
TOTAL AIRPORT MAINT & OPER FUND (523)			(\$5,350,000)	(\$5,350,000)
AIRPORT PASS FACIL CHG FUND (529)				
<i>Ending Fund Balance Adjustment</i>	Airport Capital Program		(\$63,000)	
Decreases the Ending Fund Balance to offset the increase to the Federal Inspection Services Facility appropriation.				
<i>Federal Inspection Services Facility</i>	Airport Capital Program		\$63,000	
Increases the Federal Inspection Services Facility appropriation to cover the portion of the claims payment that is available for payment from Passenger Facility Charges. The local share match of this payment is in the Airport Renewal and Replacement Fund (527).				
TOTAL AIRPORT PASS FACIL CHG FUND (529)			\$0	\$0
AIRPORT RENEW & REPL FUND (527)				
<i>AOPA Expo 2008</i>	Airport Capital Program		\$109,000	
Establishes an Aircraft Owners and Pilots Association appropriation to fund various improvements in preparation for this expo, which will be hosted this year (November 2008) in San José.				
<i>Automated Access Control System Upgrade</i>	Airport Capital Program		\$51,000	
Establishes an appropriation to fund the replacement of servers and software updates for the automated access control system.				
<i>Consolidated Rental Car Facility</i>	Airport Capital Program		\$447,000	
Increases the Consolidated Rental Car Facility project to reflect the addition of an escalator between the second and third levels of the garage. This equity improvement project was requested by the Hertz Corporation and will be reimbursed through Tenant Improvements. There is a corresponding transaction the Tenant Improvements revenue source.				
<i>Ending Fund Balance Adjustment</i>	Airport Capital Program		(\$228,116)	
Decreases the Ending Fund Balance to offset the actions recommended in this report.				

Special/Capital Funds Recommended Budget Adjustments Summary Annual Report 2007-2008

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
AIRPORT RENEW & REPL FUND (527)				
Federal Inspection Services Facility	Airport Capital Program		\$13,000	
Increases the Federal Inspection Services Facility appropriation to cover a portion of claim settlement costs for this project. There is a corresponding transaction in the Passenger Facility Charge Fund (PFC) (529) which covers the portion of these costs paid from PFCs.				
Reid-Hillview Noise Treatment Program	Airport Capital Program			(\$40,000)
Decreases the Reid-Hillview Noise Treatment Program reimbursement in 2008-2009 since the anticipated revenue was received in 2007-2008.				
Tenant Improvements	Airport Capital Program			\$447,000
Increases the Tenant Improvements Payments revenue to reflect reimbursement of funds advanced by the Airport for the addition of an escalator in the consolidated garage. There is a corresponding transaction in the Consolidated Rental Car Facility project budget.				
Terminal Area Improvement, Phase I	Airport Capital Program		\$6,725,000	
Appropriates the funds recommended transferred from the Airport Revenue Fund (521). These resources will be used to continue development of the Terminal Area Improvement Projects.				
Transfer from the Airport Revenue Fund	Airport Capital Program			\$6,725,000
Establishes a transfer from the Airport Revenue Fund (521) to the Airport Renewal and Replacement Fund (527). Instead of transferring to the Airport Revenue Bond Improvement Fund (526), these monies will be transferred here where they are more accurately recorded to reflect use of these funds for the Terminal Area Improvement Program projects. There is a corresponding transaction in the Airport Revenue Bond Improvement Fund (526).				
Transfer to Airport Capital Improvement Fund	Airport Capital Program		\$15,116	
Corresponding to the recommended adjustment in the Airport Capital Improvement Fund (520), this action correctly allocates the local share match for the Airfield Sign Replacement and other security grant projects.				
TOTAL AIRPORT RENEW & REPL FUND (527)			\$7,132,000	\$7,132,000
AIRPORT REV BOND IMP FUND (526)				
Airport Bond Proceeds	Airport Capital Program			(\$7,629,000)
Reduces the bond proceeds revenue source by \$7.6 million to reflect the reduction in funding needed for the FMC Site Reuse Preparation project. There is a corresponding transaction in the project budget.				
Commercial Paper Proceeds	Airport Capital Program			\$1,397,000
Re-establishes a commercial paper proceeds revenue line item to provide initial funding for the construction of a structural steel canopy over the baggage handling area in Terminal A. These costs will eventually get reimbursed by airlines through rates and charges. There is a corresponding increase in the Terminal Area Improvement Program, Phase I project.				

Special/Capital Funds Recommended Budget Adjustments Summary Annual Report 2007-2008

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
AIRPORT REV BOND IMP FUND (526)				
<i>Ending Fund Balance Adjustment</i>	Airport Capital Program		(\$7,027,000)	
Decreases the Ending Fund Balance to offset the actions recommended in this report.				
<i>FMC Site Reuse Preparation</i>	Airport Capital Program		(\$7,628,000)	
Decreases the FMC Site Reuse Preparation project to reflect progress made in the potential use for the property. There is a corresponding decrease in the bond proceeds used to pay for the project.				
<i>Public Parking Garage</i>	Airport Capital Program		(\$207,000)	
Decreases the Public Parking Garage appropriation to accurately reflect this project's budget. An adjustment of \$207,000 was double-counted and this action corrects that.				
<i>Terminal Area Improvement Program, Phase I</i>	Airport Capital Program		\$6,917,000	
Increases the Terminal Area Improvement Program (TAIP), Phase I appropriation by \$5.5 million to continue progress on the Terminal A modification projects; there is a corresponding decrease to the TAIP, Phase II project to fund this increase. Additionally, \$1.4 million is also included to fund the structural steel canopy in Terminal A which is being initially funded using commercial paper proceeds and then reimbursed through airlines rates and charges.				
<i>Terminal Area Improvement Program, Phase II</i>	Airport Capital Program		(\$5,520,000)	
Decreases the Terminal Area Improvement Program (TAIP), Phase II appropriation by \$5.5 million to fund the additional improvements to Terminal A modifications. There is a corresponding increase in the TAIP, Phase I appropriation.				
<i>Transfer from Airport Customer Facility and Transportation Fee Fund</i>	Airport Capital Program			(\$623,000)
Decreases the transfer from the Airport Customer Facility and Transportation Fee Fund (519) to the Airport Revenue Bond Improvement Fund (526) to reflect lower rental car activity levels. This transfer was initially established in 2007-2008 to use Customer Facility Charge fees (\$10 per Airport rental car contract) to help cover the cost of the Consolidated Rental Car Facility. There is a corresponding transaction in the Airport Customer Facility and Transportation Fee Fund (519).				
<i>Transfer from Airport Revenue Fund</i>	Airport Capital Program			(\$6,600,000)
Decreases the transfer from the Airport Revenue Fund (521) to the Airport Revenue Bond Improvement Fund (526). Instead, these monies will be transferred to the Airport Renewal and Replacement Fund (527) where they are more accurately recorded to reflect use of these funds for the Terminal Area Improvement Program projects. There is a corresponding transaction in the Airport Renewal and Replacement Fund (527).				

Special/Capital Funds Recommended Budget Adjustments Summary Annual Report 2007-2008

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
AIRPORT REV BOND IMP FUND (526)				
<i>Transfer to Airport Revenue Fund</i>	Airport Capital Program		\$10,000	
Establishes a transfer to the Airport Revenue Fund (521) to return surplus bond proceeds which remain unspent after completion of the projects funded by these bonds. It was determined that these excess proceeds may be used to reimburse the Airport for interest costs that have been paid to date on the 2001 bonds. There is a corresponding transaction in the Airport Revenue Fund (521).				
TOTAL AIRPORT REV BOND IMP FUND (526)			(\$13,455,000)	(\$13,455,000)
AIRPORT REVENUE FUND (521)				
<i>Airport 2004 A/B Long-Term Debt - Res per Master Trust</i>	Airport		\$340,000	
Increases the Ending Fund Balance, Reserve per Master Trust, to offset the transfer from the Fiscal Agent Fund (525).				
<i>Airport 2004 A/B Long-Term Debt - Transfer from Airport Fiscal Agent Fund</i>	Airport			\$340,000
Increases the transfer from the Airport Fiscal Agent Fund (525) to the Airport Revenue Fund (521) since interest earned on the 2004 A/B bonds reserve accounts can be made available for general airport use. The 2004 A/B variable rate bonds were refunded in April 2008. There is a corresponding transaction in the Airport Fiscal Agent Fund (525).				
<i>Airport Activity</i>	Airport			(\$7,100,000)
Adjusts various Airport revenues to reflect a reduction of projected activity. As reported in various Airport reports, 2008-2009 Airport activity has been impacted by both the high cost of fuel and general economic conditions. Current projections call for an approximate 10% reduction in passengers.				
<i>Airport Activity - Reserve per Master Trust</i>	Airport		(\$7,100,000)	
Decrease Ending Fund Balance, Reserve per Master Trust, to offset the decrease in Earned Revenue.				
<i>Airport Surplus 2001 Bond Proceeds</i>	Airport			\$10,000
Establishes a transfer from the Airport Revenue Bond Improvement Fund (526) in the amount of \$10,000. This action recognizes excess 2001 bond proceeds remaining after completion of the associated capital projects. The surplus funds will be used to pay for 2001 bond interest costs. There is a corresponding action in the Airport Revenue Bond Improvement Fund (526).				
<i>Airport Surplus 2001 Bond Proceeds - Reserve per Master Trust</i>	Airport		\$10,000	
Increases the Ending Fund Balance, Reserve per Master Trust, to offset the increased transfer from the Airport Revenue Bond Improvement Fund (526).				
<i>Airport West/FMC Property - Commercial Paper Proceeds</i>	Airport			(\$5,800,000)
Eliminates Commercial Paper Proceeds for the debt service related to Airport West/FMC Property. Because of the recent property developer's option payment, the Airport can reduce its need for 2008-2009 commercial paper financing to support the lease of the property.				

Special/Capital Funds Recommended Budget Adjustments Summary Annual Report 2007-2008

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
AIRPORT REVENUE FUND (521)				
<i>Airport West/FMC Property - Transf to Airport Maint and Ops Fd</i>	Airport		(\$5,350,000)	
Decreases the transfer to the Airport Maintenance and Operation Fund (523) that supported the Airport West/FMC Property debt service as a result of the collection of the property developer option payment and interest payment related to the property.				
<i>Airport West/FMC Property - Transfer from the General Fund</i>	Airport			\$450,000
Establishes a transfer from the General Fund to the Airport Revenue Fund (521) for the 2008-2009 interest payments related to outstanding commercial paper for the Airport West property.				
<i>Terminal Area Imp Prgrm Support - Transf to Air Renew/Repl Fd</i>	Airport		\$6,725,000	
Establishes a transfer from the Airport Revenue Fund (521) to the Airport Renewal and Replacement Fund (527) in the amount of \$6,725,000. These funds are available to be transferred for direct support of the Terminal Area Improvement Program (TAIP) projects. This allocation also includes additional surplus revenue of \$125,000, also available for the TAIP projects. There is a corresponding transaction in the Airport Renewal and Replacement Fund (527).				
<i>Terminal Area Imp Prgrm Support - Transf to Air Rev Bond Imp Fd</i>	Airport		(\$6,600,000)	
Decreases the transfer to the Airport Revenue Bond Improvement Fund (526) from the Airport Revenue Fund (521) in the amount of \$6,600,000. Instead of a transfer from the Airport Revenue Fund (521) to the Airport Revenue Bond Improvement Fund (526) with a then subsequent transfer to the Airport Renewal and Replacement Fund (527), the above action transfers the funds directly to Airport Renewal and Replacement Fund (527). There is a corresponding transaction in the Airport Renewal and Replacement Fund (527).				
<i>Terminal Area Imp Program Support - Res per Master Trust</i>	Airport		(\$125,000)	
Decreases the Ending Fund Balance, Reserve per Master Trust, to offset the actions recommended in this report.				
TOTAL AIRPORT REVENUE FUND (521)			(\$12,100,000)	(\$12,100,000)
AIRPORT SURPLUS REV FD (524)				
<i>Refunding of Airport 2004 A/B Bonds - Interest Revenue</i>	Airport			\$402,000
Increased interest income from the City's refinancing of Airport 2004 A/B bonds is available for use to offset cost associated with the increase in commercial paper. There is a corresponding transaction to other payments to fund increased commercial paper costs.				

Special/Capital Funds Recommended Budget Adjustments Summary Annual Report 2007-2008

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
AIRPORT SURPLUS REV FD (524)				
<i>Refunding of Airport 2004 A/B Bonds - Other Payments</i>	Airport		\$4,176,000	
Because of the Airport's refinancing of the 2004 A/B bonds with commercial paper, budgeted interest payments are recommended to be adjusted to cover the additional costs associated with the increase in commercial paper proceeds. This action increases Other Payments (where interest is paid) with corresponding offsets in Interest Revenue and the Ending Fund Balance.				
<i>Refunding of Airport 2004 A/B Bonds - Reserve per Master Trust</i>	Airport		(\$3,733,000)	
Decreases the Ending Fund Balance, Reserve per Master Trust, to offset the increased cost associated with commercial paper financing.				
<i>Refunding of Airport 2004 A/B Bonds - Trans fr Air Maint and Ops Fd</i>	Airport			\$41,000
Establishes a transfer from the Airport Maintenance and Operation Fund (523) to account for costs associated with the refunded 2004 A/B bonds with commercial paper. Refinancing was done in spring 2008 to take advantage of the lower interest rates available for commercial paper versus long-term variable debt rates. There are corresponding transactions that reallocate these resources from the Airport Maintenance and Operation Fund (523) to the Airport Surplus Revenue Fund (524).				
TOTAL AIRPORT SURPLUS REV FD (524)			\$443,000	\$443,000
ANTI-TOBACCO SETTLEMNT FD (426)				
<i>Ending Fund Balance Adjustment</i>	Parks, Rec And Neigh Svcs		(\$199,746)	
Decreases the Ending Fund Balance to offset the action recommended below.				
<i>HNVF Grantee Evaluation System</i>	Parks, Rec And Neigh Svcs		\$199,746	
Establishes an appropriation funded by HNVF fund balance for a consultant agreement to implement and manage an evaluation system that will assess HNVF grantee efforts and measure the results of funded projects. Key elements for each grantee include evaluation workshops, custom evaluation designs, a mid-year and year-end evaluation, technical support, and data collection.				
TOTAL ANTI-TOBACCO SETTLEMNT FD (426)			\$0	\$0
BENEFIT FUND (160)				
<i>Retirement Pre-Payment Reserve</i>	Human Resources		\$2,891	
As discussed in the General Fund Recommended Budget Adjustments Summary Section of this report, establishes a reserve from retirement pre-payment savings for final payroll amounts related to the pre-payment of the City's contribution to its two retirement plans. If this reserve level proves to be overfunded, it is recommended that the savings be used towards funding the City's GASB 43-45 health care liability.				
<i>Retirement Pre-Payment Savings</i>	Human Resources		(\$2,891)	

Special/Capital Funds Recommended Budget Adjustments Summary Annual Report 2007-2008

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
BENEFIT FUND (160)				
TOTAL BENEFIT FUND (160)			\$0	\$0
BLDG & STRUCT CONST TAX FD (429)				
<i>Branham Lane Improvements</i>	Traffic Capital Program		\$500,000	
Increases the Branham Lane Improvements project to fund preliminary engineering and staff costs. To offset this increase, a corresponding action to decrease the Reserve - Branham Lane Improvements is also recommended as part of this report.				
<i>Ending Fund Balance Adjustment</i>	Traffic Capital Program		(\$1,605,000)	
Reduces the Ending Fund Balance to offset actions recommended in this report.				
<i>ITS: Enhancements</i>	Traffic Capital Program		\$330,000	
Reestablishes project funding to complete the design work for the ITS: Enhancements project which will interconnect the City of Santa Clara and the Town of Los Gatos traffic management centers with the regional Silicon Valley Transportation System Program data exchange network, as well as increase functionality of the regional incident management system. Performance and cost issues with the original contractor resulted in the termination of the contract. The contract encumbrance was liquidated and the funding reverted to the ending fund balance. The project design work will now be handled by the Department of Public Works, and this funding will allow for completion of the design work.				
<i>Reserve - Branham Lane Improvements</i>	Traffic Capital Program		(\$500,000)	
Decreases the Reserve - Branham Lane Improvements to reallocate funds to the Branham Lane Improvements project. A corresponding action to increase the Branham Lane Improvements project is also recommended as part of this report.				
<i>Traffic Signal Communications and Synchronization</i>	Traffic Capital Program		\$1,200,000	
Increases the Traffic Signal Communications and Synchronization project to fund the local match for a grant that was awarded to the City from the California Department of Transportation to rehabilitate aging traffic signal equipment and to build out a city-wide, state-of-the-art signal timing and traffic management system to optimize traffic flow, reduce vehicle emissions, and improve air quality. As part of the grant agreement, the City is required to provide a local match and this increase will fund a portion of the local match.				
<i>Traffic Signals</i>	Traffic Capital Program		\$14,000	\$14,000
Recognizes and appropriates funds received from developer fees for the purchase of traffic signal controller equipment.				
<i>Underground Utilities - Special Facilities</i>	Traffic Capital Program		\$75,000	
Increases the Underground Utilities - Special Facilities project to provide funding for administrative activities associated with the Three-Year Rule 20A Utility Underground Program. These activities include public outreach, project coordination, plan review, and inspections.				
TOTAL BLDG & STRUCT CONST TAX FD (429)			\$14,000	\$14,000

Special/Capital Funds Recommended Budget Adjustments Summary Annual Report 2007-2008

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
BRANCH LIB BOND PROJECT FD (472)				
Contingency Reserve: Library Bond Projects	Library Capital Program		(\$865,000)	
Reduces the Contingency Reserve: Library Bond Projects appropriation to offset actions recommended in this report.				
Miscellaneous Post-Construction Costs	Library Capital Program		\$200,000	
Establishes a new appropriation for the Miscellaneous Post-Construction Costs project to provide funding for post-construction costs that occasionally surface for completed Branch Library Bond Projects.				
Transfer from the Library Construction and Conveyance Tax Fund	Library Capital Program			(\$665,000)
Eliminates a transfer from the Library Construction and Conveyance Tax Fund to the Branch Libraries Bond Projects Fund that was established in 2005-2006 to provide funding for Library Bond Program Management staff costs. By reimbursing the bond program for these costs, it enabled the bond fund to use the excess funds to offset the impact that escalating construction costs were having on many of the branch libraries' budgets. This transfer, however, is no longer needed as significant savings from several projects, as well as higher than estimated interest earnings, have provided adequate funding for the remaining bond projects.				
TOTAL BRANCH LIB BOND PROJECT FD (472)			(\$665,000)	(\$665,000)
BUSINESS IMPVT DIST FUND (351)				
Downtown Business Improvement District	Economic Development		\$80,000	\$50,000
Adjusts the Downtown Business Improvement District budget to align it with the City Council approved budget. This action recognizes an additional \$50,000 in revenue from the Downtown assessments as well as appropriates \$80,000 for the Downtown Business Improvement District allocation. An offsetting adjustment to the Ending Fund Balance is recommended below.				
Ending Fund Balance Adjustment	Economic Development		(\$30,000)	
Decreases the Ending Fund Balance to offset the increase for the Downtown Business Improvement District allocation as described above.				
TOTAL BUSINESS IMPVT DIST FUND (351)			\$50,000	\$50,000
CFD #2 AND CFD #3 FUND (369)				
Retirement Pre-Payment Reserve	Transportation		\$1,164	
As discussed in the General Fund Recommended Budget Adjustments Summary Section of this report, establishes a reserve from retirement pre-payment savings for final payroll amounts related to the pre-payment of the City's contribution to its two retirement plans. If this reserve level proves to be overfunded, it is recommended that the savings be used towards funding the City's GASB 43/45 health care liability.				
Retirement Pre-Payment Savings	Transportation		(\$1,164)	

Special/Capital Funds Recommended Budget Adjustments Summary Annual Report 2007-2008

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CFD #2 AND CFD #3 FUND (369)				
TOTAL CFD #2 AND CFD #3 FUND (369)			\$0	\$0
CFD #8 COMM HILL FD (373)				
Retirement Pre-Payment Reserve	Transportation		\$690	
As discussed in the General Fund Recommended Budget Adjustments Summary Section of this report, establishes a reserve from retirement pre-payment savings for final payroll amounts related to the pre-payment of the City's contribution to its two retirement plans. If this reserve level proves to be overfunded, it is recommended that the savings be used towards funding the City's GASB 43/45 health care liability.				
Retirement Pre-Payment Savings	Transportation		(\$690)	
TOTAL CFD #8 COMM HILL FD (373)			\$0	\$0
COMM DEV BLOCK GRANT FD (441)				
CDBG Award Reduction: City Programs - Grant Accounting	Finance		(\$8,200)	
Retirement Pre-Payment Savings	Finance		(\$1,216)	
CDBG 2008-2009 Award/Program Income Reduction	Housing			(\$416,476)
Adjusts the CDBG Earned Revenue allocation and several appropriations within the Public Service and the Fair Housing, Planning, and Administration categories. The City's original CDBG budget for 2008-2009 was based upon the Housing and Urban Development (HUD) announced award to the City (\$9,941,878) and staff estimates of the 2007-2008 CDBG Program Income of \$1.6 million. In July 2008, the Housing Department learned that the actual program income (\$1,184,134) was lower than anticipated in 2007-2008, which is the basis for the next years revenue estimate. In addition, HUD announced a minor adjustment to the award (\$610). As a result of these changes, a reduction to Earned Revenue (\$416,476) is recommended in this report. Because CDBG regulations place a cap on the percent of funding that may be used for public service, fair housing, planning and administrative activities, adjustments to these categories are also being recommended in this document. Finally, an adjustment to the Ending Fund Balance is recommended to offset lower anticipated revenues. For additional information regarding these actions, please refer to supplemental information memorandum in the appendix of this report.				
CDBG Award Reduction: City Prog - CDBG Prog Dev & Monitoring	Housing		(\$44,672)	

Special/Capital Funds Recommended Budget Adjustments Summary Annual Report 2007-2008

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
COMM DEV BLOCK GRANT FD (441)				
CDBG Award Reduction: City Programs - ADA Survey	Housing		(\$1,804)	
CDBG Award Reduction: Fair Housing - Inves & Enforce Svcs	Housing		(\$8,560)	
CDBG Award Reduction: Fair Housing - Legal Aid Society	Housing		(\$3,798)	
CDBG Award Reduction: Public Services	Housing		(\$54,746)	
Community Development Block Grant Public Service Awards	Housing		(\$7,725)	
Adjusts the Public Services appropriation in the Community Development Block Grant (CDBG) Fund. This action consists of a recommended increase (\$579) for Legal Assistance to Elders, offset by a decrease to the Senior Health Transportation Program (\$8,304). These adjustments are recommended in order to align the 2008-2009 budget with projected 2008-2009 expenditures.				
Ending Fund Balance Adjustment	Housing		(\$270,709)	
Increases the Ending Fund Balance to offset the action recommended above.				
Retirement Pre-Payment Reserve	Housing		\$27,483	
As discussed in the General Fund Recommended Budget Adjustments Summary Section of this report, establishes a reserve from retirement pre-payment savings for final payroll amounts related to the pre-payment of the City's contribution to its two retirement plans. If this reserve level proves to be overfunded, it is recommended that the savings be used towards funding the City's GASB 43/45 health care liability.				
Retirement Pre-Payment Savings	Housing		(\$7,763)	
Retirement Pre-Payment Savings	Library		(\$1,180)	
CDBG Award Reduction: City Programs - Env. Review	Plan, Bldg And Code Enf		(\$1,083)	
CDBG Award Reduction: City Programs - SNI Neighborhood Proj	Plan, Bldg And Code Enf		(\$15,179)	
Retirement Pre-Payment Savings	Plan, Bldg And Code Enf		(\$17,324)	

Special/Capital Funds Recommended Budget Adjustments Summary Annual Report 2007-2008

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
COMM DEV BLOCK GRANT FD (441)				
TOTAL COMM DEV BLOCK GRANT FD (441)			(\$416,476)	(\$416,476)
COMMTY FACIL REVENUE FUND (422)				
Hayes Mansion Debt Service	City Manager		(\$115,972)	(\$115,972)
This technical adjustment decreases the transfer from the Hayes Mansion Phase III Fund to the Community Facilities Revenue Fund to reflect the refunding of the Series 2001D Bonds.				
Ending Fund Balance Adjustment	Finance		(\$11,583)	
Decreases the Ending Fund Balance to offset actions recommended in this report.				
Tech Adjust: Debt Service Payments for Hayes Mansion Phase III	Finance		\$11,583	
Increases the Debt Service Payments for Hayes Mansion Phase III appropriation to reflect the refunding of the City of San José Financing Authority Lease Revenue Bonds, Series 2001B and Series 2001C with the Series 2008D.				
TOTAL COMMTY FACIL REVENUE FUND (422)			(\$115,972)	(\$115,972)
CONST/CONV TAX CENTRAL FD (390)				
Happy Hollow Park and Zoo Fixtures, Furnishings and Equipment	Parks & Comm Fac Dev Capital Program		\$800,000	
Establishes a new appropriation for the purchase of fixtures, furnishings and equipment (FF&E) for the newly renovated Happy Hollow Park and Zoo. This funding will enable the Parks, Recreation and Neighborhood Services Department to purchase FF&E items for the newly renovated facility, which is anticipated to re-open to the public in fall 2009. A corresponding decrease to the Parks Fixtures, Furnishings and Equipment allocation is also included in this document.				
Parks Fixtures, Furnishings and Equipment	Parks & Comm Fac Dev Capital Program		(\$800,000)	
Decreases funding for the Parks Fixtures, Furnishings and Equipment allocation to offset the actions recommended above.				
TOTAL CONST/CONV TAX CENTRAL FD (390)			\$0	\$0
CONST/CONV TAX FIRE FUND (392)				
Emergency Response Maps	Public Safety Capital Program		(\$30,000)	
Reduces this appropriation in order to partially offset a reduction of revenue from the sale of two fire stations (24 and 25) that was assumed in the 2008-2009 Adopted Capital Budget. The Fire Department will make critical updates to the emergency response maps; however, more general updates will be postponed until 2009-2010.				
Ending Fund Balance Adjustment	Public Safety Capital Program		(\$580,000)	
Reduces the Ending Fund Balance to fund actions recommended in this report.				

Special/Capital Funds Recommended Budget Adjustments Summary Annual Report 2007-2008

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
CONST/CONV TAX FIRE FUND (392)				
<i>FF&E and Facility Improvements</i>	Public Safety Capital Program		(\$100,000)	
Reduces this appropriation in order to partially offset a reduction of revenue from the sale of two fire stations (24 and 25) that was assumed in the 2008-2009 Adopted Capital Budget. A reduction to this appropriation will not affect planned expenditures in 2008-2009.				
<i>Sale of Fire Station Revenue</i>	Public Safety Capital Program			(\$1,050,000)
Removes the estimated revenue from the sale of Fire Stations 24 and 25 in 2008-2009 to reflect the current project construction schedules. These sales are expected to occur in 2009-2010 or later, following project completion and community outreach.				
<i>San José Fire Museum Apparatus</i>	Public Safety Capital Program		(\$5,000)	
Reduces this appropriation in order to partially offset a reduction of revenue from the sale of two fire stations (24 and 25) that was assumed in the 2008-2009 Adopted Capital Budget. A reduction to this appropriation will not affect planned expenditures in 2008-2009.				
<i>Telecommunications Equipment</i>	Public Safety Capital Program		(\$15,000)	
Reduces this appropriation in order to partially offset a reduction of revenue from the sale of two fire stations (24 and 25) that was assumed in the 2008-2009 Adopted Capital Budget. A reduction to this appropriation will postpone replacement of equipment until 2009-2010.				
<i>Traffic Control Equipment</i>	Public Safety Capital Program		(\$166,000)	
Reduces this appropriation in order to partially offset a reduction of revenue from the sale of two fire stations (24 and 25) that was assumed in the 2008-2009 Adopted Capital Budget. The reduction to this appropriation will leave enough funding for implementation of traffic control equipment for intersections surrounding Fire Station 37 and postpone implementation of other traffic control equipment until 2009-2010.				
<i>Turnout Cleaning</i>	Public Safety Capital Program		(\$154,000)	
Reduces this appropriation in order to partially offset a reduction of revenue from the sale of two fire stations (24 and 25) that was assumed in the 2008-2009 Adopted Capital Budget. The reduction to this appropriation is still anticipated to leave enough funding to cover turnout cleaning expenditures in 2008-2009, however, the appropriation will be carefully monitored during the year to ensure no additional funding is required.				
TOTAL CONST/CONV TAX FIRE FUND (392)			(\$1,050,000)	(\$1,050,000)
CONST/CONV TAX LIB FD (393)				
<i>Ending Fund Balance Adjustment</i>	Library Capital Program		\$665,000	
Increases the Ending Fund Balance to offset actions recommended in this report.				

Special/Capital Funds Recommended Budget Adjustments Summary Annual Report 2007-2008

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
CONST/CONV TAX LIB FD (393)				
<i>Transfer to the Branch Libraries Bond Projects Fund</i>	Library Capital Program		(\$665,000)	
Eliminates a transfer from the Library Construction and Conveyance Tax Fund to the Branch Libraries Bond Projects Fund that was established in 2005-2006 to provide funding for Library Bond Program Management staff costs. By reimbursing the bond program for these costs, it enabled the bond fund to use the excess funds to offset the impact that escalating construction costs were having on many of the branch libraries' budgets. This transfer, however, is no longer needed as significant savings from several projects, as well as higher than estimated interest earnings, have provided adequate funding for the remaining bond projects.				
TOTAL CONST/CONV TAX LIB FD (393)			\$0	\$0
CONST/CONV TAX PKS CD10 FD (389)				
<i>Ending Fund Balance Adjustment</i>	Parks & Comm Fac Dev Capital Program		(\$21,000)	
Reduces the Ending Fund Balance to offset actions recommended in this document.				
<i>TRAIL: Guadalupe Creek (Meridian to Singletree) Land Acquisition</i>	Parks & Comm Fac Dev Capital Program		\$21,000	
Increases the TRAIL: Guadalupe Creek (Meridian to Singletree) Land Acquisition project by \$21,000 to ensure adequate funding is available to complete interim trail improvements along Guadalupe Creek from Meridian Avenue to Singletree Way.				
TOTAL CONST/CONV TAX PKS CD10 FD (389)			\$0	\$0
CONST/CONV TAX PKS CD3 FD (380)				
<i>O'Donnell's Garden Park</i>	Parks & Comm Fac Dev Capital Program		(\$117,000)	
Eliminates the O'Donnell's Garden Park project, and reallocates the funds to the Reserve: O'Donnell's Garden Park. The project is currently on hold pending potential funding from the San Jose Redevelopment Agency for installation of a gazebo at the park.				
<i>Reserve: O'Donnell's Garden Park</i>	Parks & Comm Fac Dev Capital Program		\$117,000	
Eliminates the O'Donnell's Garden Park project, and reallocates the funds to the Reserve: O'Donnell's Garden Park as described above.				
TOTAL CONST/CONV TAX PKS CD3 FD (380)			\$0	\$0
CONST/CONV TAX PKS CD8 FD (386)				
<i>Ending Fund Balance Adjustment</i>	Parks & Comm Fac Dev Capital Program		(\$100,000)	
Reduces the Ending Fund Balance to offset actions recommended in this document.				

Special/Capital Funds Recommended Budget Adjustments Summary Annual Report 2007-2008

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
CONST/CONV TAX PKS CD8 FD (386)				
<i>Transfer to the General Fund: Groesbeck Hill Pk Perimeter Landscape</i>	Parks & Comm Fac Dev Capital Program		\$100,000	
Reimburses the General Fund for prior year expenditures in order to partially fund exterior art at the South San José Police Substation. The City Attorney's Office has advised that available Parks Construction and Conveyance Tax Fund funding could be used to reimburse prior General Fund funded project expenditures provided that the Parks Construction and Conveyance Tax funds were available during the same fiscal year that the General Fund funding was expended on the project. Therefore, a reimbursement from the Council District 8 Construction and Conveyance Tax Fund to the General Fund for the Groesbeck Hill Park Perimeter Landscaping project (\$104,563 expended in 2002-2003) is recommended in this document.				
TOTAL CONST/CONV TAX PKS CD8 FD (386)			\$0	\$0
CONST/CONV TAX PKS CD9 FD (388)				
<i>Ending Fund Balance Adjustment</i>	Parks & Comm Fac Dev Capital Program		(\$50,000)	
Reduces the Ending Fund Balance to offset actions recommended in this report.				
<i>Kirk Senior Nutrition Program (Temporary Relocation)</i>	Parks & Comm Fac Dev Capital Program		\$50,000	
Establishes a new appropriation for the temporary relocation of the Kirk Senior Nutrition Program. This allocation will enable the senior nutrition program at Kirk Community Center to be relocated to Houge Park Community Center and Camden Community Center for ten months while the center is being renovated.				
TOTAL CONST/CONV TAX PKS CD9 FD (388)			\$0	\$0
CONST/CONV TAX PKS CW FD (391)				
<i>Alum Rock Park Service Yard Fixtures, Furnishings and Equipment</i>	Parks & Comm Fac Dev Capital Program		\$10,000	
Increases the Alum Rock Park Service Yard Fixtures, Furnishings and Equipment (FF&E) project by \$10,000. This funding will be used to purchase a chemical shed for the Alum Rock Park Service Yard.				
<i>Brownfields Assessment Project</i>	Parks & Comm Fac Dev Capital Program		\$75,000	
Establishes a new appropriation to provide funding for the Brownfields Assessment Project. This project will allow the City to pursue the assessment of 12 sites for petroleum related hazardous substances. Funds expended as part of this project (up to \$75,000) will be reimbursed by an Environmental Protection Agency Brownfields Assessment grant.				
<i>Earned Revenue</i>	Parks & Comm Fac Dev Capital Program			\$75,000
Increases the Earned Revenue estimate by \$75,000 to reflect an Environmental Protection Agency Brownfields Assessment grant for costs associated with the Brownfields Assessment Project.				
<i>Ending Fund Balance Adjustment</i>	Parks & Comm Fac Dev Capital Program		(\$62,000)	
Reduces the Ending Fund Balance to offset actions recommended in this report.				

Special/Capital Funds Recommended Budget Adjustments Summary Annual Report 2007-2008

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
CONST/CONV TAX PKS CW FD (391)				
<i>Family Camp Survey</i>	Parks & Comm Fac Dev Capital Program		\$50,000	
Establishes a new appropriation to provide funding for the Family Camp Survey project. This allocation will provide funding to perform a survey on the existing conditions of Family Camp, which is needed for the Family Camp Master Plan and to renew the Family Camp's permit with the United States Forest Service.				
<i>Grace Baptist Lease</i>	Parks & Comm Fac Dev Capital Program		\$2,000	
Increases the Grace Baptist Lease allocation to ensure sufficient funding is available for the 2008-2009 least payment associated with Grace Baptist Church.				
TOTAL CONST/CONV TAX PKS CW FD (391)			\$75,000	\$75,000
CONST/CONV TAX SRVC YDS FD (395)				
<i>Central Service Yard Phase II Debt Service</i>	Service Yards Capital Program		\$604,000	
Increases the Central Service Yard Phase II Debt Service appropriation by \$604,000 in the Service Yards Capital Program to fund the anticipated interest liability on outstanding commercial paper debt service.				
<i>Ending Fund Balance Adjustment</i>	Service Yards Capital Program		(\$604,000)	
Decreases the Ending Fund Balance to offset the actions recommended in this report.				
TOTAL CONST/CONV TAX SRVC YDS FD (395)			\$0	\$0
CONST/CONV TX PKS CD1 FD (377)				
<i>Cypress Senior Nutrition Program (Temporary Relocation)</i>	Parks & Comm Fac Dev Capital Program		\$100,000	
Establishes a new appropriation for the temporary relocation of the Cypress Senior Nutrition Program. This allocation will enable the senior nutrition program at Cypress Senior Center to be relocated to a nearby church facility for six months while the center is being renovated.				
<i>Ending Fund Balance Adjustment</i>	Parks & Comm Fac Dev Capital Program		(\$110,000)	
Reduces the Ending Fund Balance to offset the actions recommended in this report.				
<i>Preliminary Studies</i>	Parks & Comm Fac Dev Capital Program		\$10,000	
Increases the Preliminary Studies allocation by \$10,000 to provide funding for a sound wall study on the corner of Lawrence Expressway and Doyle Street.				
TOTAL CONST/CONV TX PKS CD1 FD (377)			\$0	\$0
CONST/CONV TX PKS CD4 FUND (381)				
<i>Earned Revenue</i>	Parks & Comm Fac Dev Capital Program			\$150,000
Increases the Earned Revenue estimate by \$150,000 to reflect a State Coastal Conservancy grant for costs associated with the TRAIL: Penitencia Creek Reach VI project.				

Special/Capital Funds Recommended Budget Adjustments Summary Annual Report 2007-2008

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
CONST/CONV TX PKS CD4 FUND (381)				
<i>TRAIL: Penitencia Creek Reach VI</i>	Parks & Comm Fac Dev Capital Program		\$150,000	
Establishes a new appropriation to provide funding for the TRAIL: Penitencia Creek Reach VI project. This allocation will provide funding to construct trail improvements along Penitencia Creek Trail, from King Road to Mabury Road. Additional funding of \$15,000 is recommended to be allocated in the Park Trust Fund for costs associated with this project. When this project is complete, the operating and maintenance impact to the General Fund is anticipated to be approximately \$10,000-\$15,000 annually. This project was not included in the 2009-2013 General Fund Forecast, which was released to the City Council on February 29, 2008. Funds expended as part of this project (up to \$150,000) will be reimbursed by the State Coastal Conservancy.				
TOTAL CONST/CONV TX PKS CD4 FUND (381)			\$150,000	\$150,000
CONSTRUCTION EXCISE TAX FD (465)				
<i>Bicycle and Pedestrian Facilities</i>	Traffic Capital Program		\$182,000	\$460,000
Recognizes additional revenue received (\$460,000) from the Transportation Development Act grant program and increases funding to the Bicycle and Pedestrian Facilities project (\$182,000). Additional funding was received for the installation of various pedestrian and bicycle facilities, including sidewalks, crosswalks, bike lanes, bike parking, and school safety improvements.				
<i>Ending Fund Balance Adjustment</i>	Traffic Capital Program		\$278,000	
Increases the Ending Fund Balance to offset the actions recommended in this report.				
<i>Fiber Optics Permit Engineering</i>	Traffic Capital Program		\$634,000	\$634,000
Recognizes additional revenue for Fiber Optics Permit Fees and increases the funding for the Fiber Optics Permit Engineering project. The additional permit fees collected from fiber cable companies are for the installation of conduits, vaults, and cables in the public right-of-way.				
TOTAL CONSTRUCTION EXCISE TAX FD (465)			\$1,094,000	\$1,094,000
CONV/CULTURAL AFFAIRS FUND (536)				
<i>Convention and Cultural Affairs Fund Overhead</i>	Convention Facilities Dept		(\$513,721)	
Reduces the overhead rate assessed to the Convention and Cultural Affairs Fund by \$513,721 based upon a re-calculation of the rate by the Finance Department.				
<i>Ending Fund Balance Adjustment</i>	Convention Facilities Dept		\$494,221	
Increases the Ending Fund Balance to account for actions recommended in this report.				

Special/Capital Funds Recommended Budget Adjustments Summary Annual Report 2007-2008

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
CONV/CULTURAL AFFAIRS FUND (536)				
<i>Retirement Pre-Payment Reserve</i>	Convention Facilities Dept		\$45,818	
As discussed in the General Fund Recommended Budget Adjustments Summary Section of this report, establishes a reserve from retirement pre-payment savings for final payroll amounts related to the pre-payment of the City's contribution to its two retirement plans. If this reserve level proves to be overfunded, it is recommended that the savings be used towards funding the City's GASB 43/45 health care liability.				
<i>Retirement Pre-Payment Savings</i>	Convention Facilities Dept		(\$45,485)	
<i>Sinking Fund Adjustment</i>	Convention Facilities Dept		\$500,000	
Increases the Sinking Fund for future capital improvements at the Convention Center, per previous City Council direction. This adjustment will bring the total funding allocated for this purpose to \$1.0 million.				
<i>Transfer from Transient Occupancy Tax Fund</i>	Convention Facilities Dept			\$480,500
Recognizes a transfer from the Transient Occupancy Tax Fund based on the higher than anticipated tax collections received in 2007-2008.				
<i>Retirement Pre-Payment Savings</i>	Human Resources		(\$333)	
TOTAL CONV/CULTURAL AFFAIRS FUND (536)			\$480,500	\$480,500
DENTAL INSURANCE FUND (155)				
<i>Retirement Pre-Payment Reserve</i>	Human Resources		\$1,602	
As discussed in the General Fund Recommended Budget Adjustments Summary Section of this report, establishes a reserve from retirement pre-payment savings for final payroll amounts related to the pre-payment of the City's contribution to its two retirement plans. If this reserve level proves to be overfunded, it is recommended that the savings be used towards funding the City's GASB 43/45 health care liability.				
<i>Retirement Pre-Payment Savings</i>	Human Resources		(\$1,602)	
TOTAL DENTAL INSURANCE FUND (155)			\$0	\$0
FEDERAL DRUG FORF FUND (419)				
<i>Ending Fund Balance Adjustment</i>	Police		(\$4,000)	
Reduces the Ending Fund Balance to fund actions recommended in this report.				

Special/Capital Funds Recommended Budget Adjustments Summary Annual Report 2007-2008

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
FEDERAL DRUG FORF FUND (419)				
<i>Non-Personal/Equipment (Shotguns)</i>	Police		\$4,000	
Appropriates funding to complete the conversion of the Police Department's shotguns. In the 2008-2009 Adopted Budget, \$214,900 was appropriated to convert obsolete shotguns to 18 inch barrel models. Based on bids received, additional funding is needed to convert all 290 shotguns.				
TOTAL FEDERAL DRUG FORF FUND (419)			\$0	\$0
FEDERAL LLEBG PROG FUND (415)				
<i>Ending Fund Balance Adjustment</i>	Police		(\$5,307)	
Reduces the Ending Fund Balance to fund actions recommended in this report.				
<i>Interest Income</i>	Police			\$16
Increases the estimated 2008-2009 interest income in order to return all income to the federal government.				
<i>LLEBG Close-Out</i>	Police		\$5,323	
Appropriates grant funding that was unexpended in order to return the unused fund balance to the federal government and close-out the Local Law Enforcement Block Grant Fund.				
TOTAL FEDERAL LLEBG PROG FUND (415)			\$16	\$16
FIBER OPTICS DEVELOPMT FD (007)				
<i>Fiber Optics Loan Repayment</i>	Finance		\$1,802,695	\$1,802,695
Increases the transfer to the Sewage Treatment Connection Fee Fund for the repayment of a portion of a loan that was provided by the Sewage Treatment Connection Fee Fund for the construction of fiber optic conduit. Additional revenue is available from a transfer from the General Fund that is recommended in the General Fund section of this report.				
TOTAL FIBER OPTICS DEVELOPMT FD (007)			\$1,802,695	\$1,802,695
GENERAL PURPOSE PARKING FD (533)				
<i>Retirement Pre-Payment Savings</i>	General Services		(\$228)	
<i>Ending Fund Balance Adjustment</i>	Parking Capital Program		(\$250,000)	
Reduces the Ending Fund Balance to offset the actions recommended in this report.				
<i>Security Improvements</i>	Parking Capital Program		\$250,000	
Increases the Security Improvements project to support the implementation of energy efficiency improvements in the City's parking garages. The additional funds will convert the existing lighting fixtures at four parking garages to more energy efficient lighting fixtures.				

Special/Capital Funds Recommended Budget Adjustments Summary Annual Report 2007-2008

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
GENERAL PURPOSE PARKING FD (533)				
<i>Retirement Pre-Payment Reserve</i>	Transportation		\$10,702	
As discussed in the General Fund Recommended Budget Adjustments Summary Section of this report, establishes a reserve from retirement pre-payment savings for final payroll amounts related to the pre-payment of the City's contribution to its two retirement plans. If this reserve level proves to be overfunded, it is recommended that the savings be used towards funding the City's GASB 43-45 health care liability.				
<i>Retirement Pre-Payment Savings</i>	Transportation		(\$10,474)	
TOTAL GENERAL PURPOSE PARKING FD (533)			\$0	\$0
GIFT TRUST FUND (139)				
<i>Library - General Gifts</i>	Library		\$35,355	\$35,355
Recognizes and appropriates several gifts totaling \$35,355 which were given to the Library for a wide variety of purposes.				
TOTAL GIFT TRUST FUND (139)			\$35,355	\$35,355
HAYES MANSION PHASE III (434)				
<i>Ending Fund Balance Adjustment</i>	Muni Improvements Capital Program		\$115,972	
Increases the Ending Fund Balance to offset the actions recommended in this report.				
<i>Transfer to the Community Facilities Revenue Fund</i>	Muni Improvements Capital Program		(\$115,972)	
This technical adjustment decreases the transfer from the Hayes Mansion Phase III Fund to the Community Facilities Revenue Fund to reflect the refunding of the Series 2001D Bonds.				
TOTAL HAYES MANSION PHASE III (434)			\$0	\$0
HOME INVEST PART PROG FUND (445)				
<i>Loans and Grants</i>	Housing		(\$1,000,000)	
Decreases the Loans and Grants appropriation in order to fund the Welcome Home Program with CalHOME federal funds as described below.				
<i>Retirement Pre-Payment Reserve</i>	Housing		\$1,220	
As discussed in the General Fund Recommended Budget Adjustments Summary Section of this report, establishes a reserve from retirement pre-payment savings for final payroll amounts related to the pre-payment of the City's contribution to its two retirement plans. If this reserve level proves to be overfunded, it is recommended that the savings be used towards funding the City's GASB 43/45 health care liability.				
<i>Retirement Pre-Payment Savings</i>	Housing		(\$1,220)	

Special/Capital Funds Recommended Budget Adjustments Summary Annual Report 2007-2008

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
HOME INVEST PART PROG FUND (445)				
Teacher/First Time Buyer Housing Grants	Housing		\$1,000,000	\$1,000,000
Increases the Teacher/First Time Buyer Housing Grant appropriation and increases the estimate for Federal Grants by \$1.0 million to provide loan funds for San José public school teachers who teach grades K through 12 in San José. This program has experienced a higher volume of applications than originally anticipated due to the fall in the housing market, and therefore is awarding more loans.				
Welcome Home Program	Housing		\$1,000,000	
Establishes an appropriation for the Welcome Home Program. This program which will be funded by an offsetting decrease to the Loans and Grants appropriation and funded by federal CalHOME program grant funds will make more deferred low-interest loans available to lower-income first-time homebuyers who have been largely priced out of the City's housing market in recent years.				
TOTAL HOME INVEST PART PROG FUND (445)			\$1,000,000	\$1,000,000
HOUSING TRUST FUND (440)				
Housing and Homeless Projects	Housing		(\$600,000)	
Decreases the Housing and Homeless Projects appropriation to fund the increase to the Job Training Grant Program appropriation.				
Job Training Grant Program	Housing		\$600,000	
Increases the Job Training Grant Program appropriation by \$600,000. This employment services program will be administered by Work2Future for homeless individuals, ex-offenders, emancipated foster youth, displaced victims of domestic violence, and those at risk of homelessness. Originally funds for this purpose were allocated in the Housing and Homeless Projects appropriation. It is now recommended that this funding be moved into a separate appropriation to simplify tracking of the funds.				
TOTAL HOUSING TRUST FUND (440)			\$0	\$0
ICE CENTRE REVENUE FUND (432)				
Ending Fund Balance Adjustment	Finance		(\$879,673)	
Decreases the Ending Fund Balance to offset actions recommended in this report.				
Tech Adjust: Debt Service Payments for the Ice Centre	Finance		\$116,869	
Increases the transfer for Debt Service Payments for the Ice Centre to reflect the refunding of the City of San José Financing Authority Lcase Revenue Bonds, Series 2000C and Series 2004A with the Series 2008E.				
Tech Adjust: Ice Centre Repair and Replacement	Finance		\$762,804	
Increases the Ice Centre Repair and replacement appropriation to reflect a reimbursement request from the San Jose Arena Management for capital repairs and replacement.				
TOTAL ICE CENTRE REVENUE FUND (432)			\$0	\$0

Special/Capital Funds Recommended Budget Adjustments Summary Annual Report 2007-2008

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
INTEGRATED WASTE MGT FUND (423)				
Earned Revenue	Environmental Services		(\$1,000,000)	(\$1,000,000)
Reduces the Integrated Waste Management Fund's earned revenues by \$1.0 million to recognize action taken by City Council during the 2008-2009 Adopted Budget. The City Council did not approve the establishment of the fee entitled Landfill-All Other Non-Recycled Waste. More time was required by staff to work with the Office of the City Attorney to evaluate the feasibility of imposing the fee. The revenue to be generated from this fee was not removed from the 2008-2009 Adopted Budget in error. Offsetting this action is a reduction to the Ending Fund Balance.				
Retirement Pre-Payment Reserve	Environmental Services		\$65,699	
As discussed in the General Fund Recommended Budget Adjustments Summary Section of this report, establishes a reserve from retirement pre-payment savings for final payroll amounts related to the pre-payment of the City's contribution to its two retirement plans. If this reserve level proves to be overfunded, it is recommended that the savings be used towards funding the City's GASB 43/45 health care liability.				
Retirement Pre-Payment Savings	Environmental Services		(\$34,951)	
Retirement Pre-Payment Savings	Finance		(\$8,615)	
Retirement Pre-Payment Savings	Information Technology		(\$20,249)	
Retirement Pre-Payment Savings	Parks, Rec And Neigh Svcs		(\$261)	
Retirement Pre-Payment Savings	Transportation		(\$1,623)	
TOTAL INTEGRATED WASTE MGT FUND (423)			(\$1,000,000)	(\$1,000,000)
LAKE CUNNINGHAM FUND (462)				
City-Wide Skateboard Park Development	Parks & Comm Fac Dev Capital Program		\$27,000	
Increases the City-Wide Skateboard Park Development project by \$27,000 to ensure adequate funding is available to complete post-construction items, including installing shade structures and staining the bowls at the new Lake Cunningham Skate Park.				
Ending Fund Balance Adjustment	Parks & Comm Fac Dev Capital Program		(\$54,000)	
Reduces the Ending Fund Balance to offset the actions recommended in this report.				
Perimeter Landscaping	Parks & Comm Fac Dev Capital Program		\$27,000	
Increases the Perimeter Landscaping project by \$27,000 to replace trees at Lake Cunningham Park.				

Special/Capital Funds Recommended Budget Adjustments Summary Annual Report 2007-2008

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
LAKE CUNNINGHAM FUND (462)				
TOTAL LAKE CUNNINGHAM FUND (462)			\$0	\$0
LIBRARY PARCEL TAX FUND (418)				
<i>Retirement Pre-Payment Savings</i>	Information Technology		(\$993)	
<i>Retirement Pre-Payment Reserve</i>	Library		\$13,507	
As discussed in the General Fund Recommended Budget Adjustments Summary Section of this report, establishes a reserve from retirement pre-payment savings for final payroll amounts related to the pre-payment of the City's contribution to its two retirement plans. If this reserve level proves to be overfunded, it is recommended that the savings be used towards funding the City's GASB 43/45 health care liability.				
<i>Retirement Pre-Payment Savings</i>	Library		(\$12,514)	
TOTAL LIBRARY PARCEL TAX FUND (418)			\$0	\$0
LIFE INSURANCE FUND (156)				
<i>Retirement Pre-Payment Reserve</i>	Human Resources		\$303	
As discussed in the General Fund Recommended Budget Adjustments Summary Section of this report, establishes a reserve from retirement pre-payment savings for final payroll amounts related to the pre-payment of the City's contribution to its two retirement plans. If this reserve level proves to be overfunded, it is recommended that the savings be used towards funding the City's GASB 43/45 health care liability.				
<i>Retirement Pre-Payment Savings</i>	Human Resources		(\$303)	
TOTAL LIFE INSURANCE FUND (156)			\$0	\$0
LOW/MOD INCOME HOUSING FD (443)				
<i>Retirement Pre-Payment Savings</i>	City Attorney		(\$4,355)	
<i>Retirement Pre-Payment Savings</i>	City Manager		(\$312)	
<i>Retirement Pre-Payment Savings</i>	Finance		(\$1,289)	
<i>Ending Fund Balance Adjustment</i>	Housing		(\$2,980,000)	
Decreases the Ending Fund Balance to offset actions recommended in this report.				

Special/Capital Funds Recommended Budget Adjustments Summary Annual Report 2007-2008

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
LOW/MOD INCOME HOUSING FD (443)				
Retirement Pre-Payment Reserve	Housing		\$58,220	
As discussed in the General Fund Recommended Budget Adjustments Summary Section of this report, establishes a reserve from retirement pre-payment savings for final payroll amounts related to the pre-payment of the City's contribution to its two retirement plans. If this reserve level proves to be overfunded, it is recommended that the savings be used towards funding the City's GASB 43/45 health care liability.				
Retirement Pre-Payment Savings	Housing		(\$49,659)	
Second Mortgage Loan Commitment	Housing		\$2,880,000	
Increases the Second Mortgage Loan Commitment appropriation. This appropriation is used to assist homebuyers in purchasing homes in new construction developments. Commitments for these funds were made in 2007-2008, however expenditures did not start occurring until June 2008.				
Tech Adjust: 20% Tax Increment Funds	Housing		(\$629,500)	(\$629,500)
Decreases the estimate for 20% Tax Increment revenue by \$629,500 to reflect adjusted revenue as projected by the County Assessor's Office.				
Workers' Compensation Claims	Housing		\$100,000	
Increases the Workers' Compensation Claims appropriation by \$100,000 to account for claims in 2008-2009 that were not anticipated in the Adopted Budget.				
Retirement Pre-Payment Savings	Information Technology		(\$1,446)	
Retirement Pre-Payment Savings	Plan, Bldg And Code Enf		(\$426)	
Retirement Pre-Payment Savings	Public Works		(\$733)	
TOTAL LOW/MOD INCOME HOUSING FD (443)			(\$629,500)	(\$629,500)
M.D. #1 LOS PASEOS FUND (352)				
Retirement Pre-Payment Reserve	Transportation		\$547	
As discussed in the General Fund Recommended Budget Adjustments Summary Section of this report, establishes a reserve from retirement pre-payment savings for final payroll amounts related to the pre-payment of the City's contribution to its two retirement plans. If this reserve level proves to be overfunded, it is recommended that the savings be used towards funding the City's GASB 43-45 health care liability.				
Retirement Pre-Payment Savings	Transportation		(\$547)	

Special/Capital Funds Recommended Budget Adjustments Summary Annual Report 2007-2008

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
M.D. #1 LOS PASEOS FUND (352)				
TOTAL M.D. #1 LOS PASEOS FUND (352)			\$0	\$0
M.D. #15 SILVER CREEK FUND (368)				
Retirement Pre-Payment Reserve	Transportation		\$1,462	
As discussed in the General Fund Recommended Budget Adjustments Summary Section of this report, establishes a reserve from retirement pre-payment savings for final payroll amounts related to the pre-payment of the City's contribution to its two retirement plans. If this reserve level proves to be overfunded, it is recommended that the savings be used towards funding the City's GASB 43/45 health care liability.				
Retirement Pre-Payment Savings	Transportation		(\$1,462)	
TOTAL M.D. #15 SILVER CREEK FUND (368)			\$0	\$0
MULTI-SOURCE HOUSING FD (448)				
Family Shelter Project	Housing		\$1,800,000	
Increases the Family Shelter appropriation by \$1.8 million to assist in the development and construction of a shelter which will house 35 rental units or 143 beds to assist San Jose's emergency and short-term homeless population with incomes at or below 30% of the Area Median Income.				
Restricted for Special Projects Ending Fund Balance Adjustment	Housing		(\$1,800,000)	
Reduces the Restricted for Special Projects Ending Fund Balance to offset the increase to the Family Shelter project.				
Retirement Pre-Payment Reserve	Housing		\$2,208	
As discussed in the General Fund Recommended Budget Adjustments Summary Section of this report, establishes a reserve from retirement pre-payment savings for final payroll amounts related to the pre-payment of the City's contribution to its two retirement plans. If this reserve level proves to be overfunded, it is recommended that the savings be used towards funding the City's GASB 43-45 health care liability.				
Retirement Pre-Payment Savings	Housing		(\$2,208)	
SJSU Teacher Home Program	Housing		(\$600,000)	
Decreases the San José State University (SJSU) Teacher Home Program appropriation to properly align the budget for this program with anticipated expenditures in 2008-2009.				
Unrestricted Ending Fund Balance Adjustment	Housing		\$1,933,743	
Increases the Ending Fund Balance to offset actions recommended in this report.				

Special/Capital Funds Recommended Budget Adjustments Summary Annual Report 2007-2008

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
MULTI-SOURCE HOUSING FD (448)				
<i>MTA Program</i>	Housing		\$100,000	\$100,000
Recognizes revenue received from the Valley Transportation Authority (MTA). This funding will be used to provide transportation assistance to the homeless and at-risk of homelessness population in San José.				
<i>Workforce Housing Program Grant Revenue</i>	Housing			\$1,333,743
Increases the estimate for grant revenue associated with the Workforce Housing Program. This program provides financial incentives to cities that issue building permits for new housing affordable to low and very low-income households. This adjustment is recommended in order to properly align the revenue estimate for this program with anticipated expenditures.				
TOTAL MULTI-SOURCE HOUSING FD (448)			\$1,433,743	\$1,433,743
NEIGHBHD SECURITY BOND FD (475)				
<i>Ending Fund Balance</i>	Public Safety Capital Program		(\$42,000)	
Reduces the Ending Fund Balance to fund the actions recommended in this report.				
<i>Fire Station 12 - Relocation (Calero)</i>	Public Safety Capital Program		\$42,000	
Reappropriates \$42,000 from Ending Fund Balance for Fire Station 12. The action restores funding that was liquidated from the original construction contract and is necessary to complete the project.				
TOTAL NEIGHBHD SECURITY BOND FD (475)			\$0	\$0
NSJ TRAFFIC IMPACT FEE FUND (349)				
<i>Ending Fund Balance Adjustment</i>	Traffic Capital Program		(\$330,000)	
Reduces the Ending Fund Balance to offset the actions recommended below.				
<i>Montague Expressway Improvements</i>	Traffic Capital Program		(\$1,000,000)	
Decreases the Montague Expressway Improvements project to fund a portion of the reimbursement of fees collected from North San José developments. Initial fees were collected from developers that were planning on developing in the North San José area; however, one of the developers went through a rezoning process which will limit their development and another had initially paid for a mitigation package which was not required. These updates resulted in the need for fees to be reimbursed to these developers. This decrease will fund a portion of the North San José Developer Reimbursement appropriation which is also being recommended to be established in this report.				

Special/Capital Funds Recommended Budget Adjustments Summary Annual Report 2007-2008

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
NSJ TRAFFIC IMPACT FEE FUND (349)				
<i>North San José Developer Reimbursement</i>	Traffic Capital Program		\$1,330,000	
Establishes the North San José Developer Reimbursement appropriation to fund the reimbursement of fees collected from North San José developments. Initial fees were collected from developers that were planning on developing in the North San José area; however, one of the developers went through a rezoning process which will limit their development and another had initially paid for a mitigation package that was not required. These updates resulted in the need for fees to be reimbursed to these developers. To offset this new appropriation, a corresponding decrease to the Montague Expressway Improvements project and Ending Fund Balance are recommended in this report.				
TOTAL NSJ TRAFFIC IMPACT FEE FUND (349)			\$0	\$0
PUBLIC WKS PRO SUPPORT FD (150)				
<i>Retirement Pre-Payment Savings</i>	Finance		(\$272)	
<i>Retirement Pre-Payment Savings</i>	Information Technology		(\$1,939)	
<i>Retirement Pre-Payment Reserve</i>	Public Works		\$26,020	
As discussed in the General Fund Recommended Budget Adjustments Summary Section of this report, establishes a reserve from retirement pre-payment savings for final payroll amounts related to the pre-payment of the City's contribution to its two retirement plans. If this reserve level proves to be overfunded, it is recommended that the savings be used towards funding the City's GASB 43-45 health care liability.				
<i>Retirement Pre-Payment Savings</i>	Public Works		(\$23,809)	
TOTAL PUBLIC WKS PRO SUPPORT FD (150)			\$0	\$0
SEWER SVC & USE CHARGE FD (541)				
<i>Retirement Pre-Payment Savings</i>	City Attorney		(\$3,141)	
<i>Retirement Pre-Payment Reserve</i>	Environmental Services		\$77,885	
As discussed in the General Fund Recommended Budget Adjustments Summary Section of this report, establishes a reserve from retirement pre-payment savings for final payroll amounts related to the pre-payment of the City's contribution to its two retirement plans. If this reserve level proves to be overfunded, it is recommended that the savings be used towards funding the City's GASB 43/45 health care liability.				
<i>Retirement Pre-Payment Savings</i>	Environmental Services		(\$4,349)	

Special/Capital Funds Recommended Budget Adjustments Summary Annual Report 2007-2008

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
SEWER SVC & USE CHARGE FD (541)				
<i>Retirement Pre-Payment Savings</i>	Finance		(\$2,556)	
<i>Retirement Pre-Payment Savings</i>	General Services		(\$948)	
<i>Retirement Pre-Payment Savings</i>	Information Technology		(\$3,452)	
<i>Retirement Pre-Payment Savings</i>	Plan, Bldg And Code Enf		(\$1,044)	
<i>Retirement Pre-Payment Savings</i>	Public Works		(\$7,986)	
<i>Retirement Pre-Payment Savings</i>	Transportation		(\$54,409)	
TOTAL SEWER SVC & USE CHARGE FD (541)			\$0	\$0
SJ-SC TRMNT PLANT OPER FUND (513)				
<i>Retirement Pre-Payment Savings</i>	City Attorney		(\$694)	
<i>Retirement Pre-Payment Savings</i>	City Manager		(\$554)	
<i>Retirement Pre-Payment Reserve</i>	Environmental Services		\$253,224	
As discussed in the General Fund Recommended Budget Adjustments Summary Section of this report, establishes a reserve from retirement pre-payment savings for final payroll amounts related to the pre-payment of the City's contribution to its two retirement plans. If this reserve level proves to be overfunded, it is recommended that the savings be used towards funding the City's GASB 43/45 health care liability.				
<i>Retirement Pre-Payment Savings</i>	Environmental Services		(\$248,869)	
<i>Retirement Pre-Payment Savings</i>	Finance		(\$793)	
<i>Retirement Pre-Payment Savings</i>	Human Resources		(\$730)	
<i>Retirement Pre-Payment Savings</i>	Information Technology		(\$1,217)	

Special/Capital Funds Recommended Budget Adjustments Summary Annual Report 2007-2008

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
SJ-SC TRMNT PLANT OPER FUND (513)				
<i>Retirement Pre-Payment Savings</i>	Public Works		(\$367)	
TOTAL SJ-SC TRMNT PLANT OPER FUND (513)			\$0	\$0
SJ-SC TRTMNT PLNT INC FUND (514)				
<i>Ending Fund Balance Adjustment</i>	Environmental Services		(\$113,744)	
Decreases the Ending Fund Balance to offset the actions recommended in this report.				
<i>Transfer to the General Fund</i>	Environmental Services		\$2,213,744	
Eliminates a transfer to the Sewage Treatment Plant Connection Fee Fund and establishes a transfer to the General Fund to reflect proceeds received from the San José-Santa Clara Treatment Plant Income Fund to repay funds and associated interest to the Sewage Treatment Plant Connection Fee Fund. Proceeds from a PG&E land settlement was originally transferred in 2007-2008 from the Sewage Treatment Plant Connection Fee Fund to the General Fund, however, should have been made from the San José-Santa Clara Treatment Plant Income Fund.				
<i>Transfer to the Sewage Treatment Plant Connection Fee Fund</i>	Environmental Services		(\$2,100,000)	
Eliminates a transfer to the Sewage Treatment Plant Connection Fee Fund and establishes a transfer to the General Fund to reflect proceeds received from the San José-Santa Clara Treatment Plant Income Fund to repay funds and associated interest to the Sewage Treatment Plant Connection Fee Fund. Proceeds from a PG&E land settlement was originally transferred in 2007-2008 from the Sewage Treatment Plant Connection Fee Fund to the General Fund, however, should have been made from the San José-Santa Clara Treatment Plant Income Fund.				
TOTAL SJ-SC TRTMNT PLNT INC FUND (514)			\$0	\$0
STORES FUND (551)				
<i>Retirement Pre-Payment Reserve</i>	Finance		\$4,474	
As discussed in the General Fund Recommended Budget Adjustments Summary Section of this report, establishes a reserve from retirement pre-payment savings for final payroll amounts related to the pre-payment of the City's contribution to its two retirement plans. If this reserve level proves to be overfunded, it is recommended that the savings be used towards funding the City's GASB 43/45 health care liability.				
<i>Retirement Pre-Payment Savings</i>	Finance		(\$4,474)	
TOTAL STORES FUND (551)			\$0	\$0
STORM SEWER OPERATING FD (446)				

Special/Capital Funds Recommended Budget Adjustments Summary Annual Report 2007-2008

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
STORM SEWER OPERATING FD (446)				
<i>Retirement Pre-Payment Reserve</i>	Environmental Services		\$58,292	
As discussed in the General Fund Recommended Budget Adjustments Summary Section of this report, establishes a reserve from retirement pre-payment savings for final payroll amounts related to the pre-payment of the City's contribution to its two retirement plans. If this reserve level proves to be overfunded, it is recommended that the savings be used towards funding the City's GASB 43/45 health care liability.				
<i>Retirement Pre-Payment Savings</i>	Environmental Services		(\$22,892)	
<i>Retirement Pre-Payment Savings</i>	Finance		(\$227)	
<i>Retirement Pre-Payment Savings</i>	Information Technology		(\$2,014)	
<i>Retirement Pre-Payment Savings</i>	Parks, Rec And Neigh Svcs		(\$785)	
<i>Retirement Pre-Payment Savings</i>	Plan, Bldg And Code Enf		(\$1,450)	
<i>Retirement Pre-Payment Savings</i>	Public Works		(\$1,444)	
<i>Retirement Pre-Payment Savings</i>	Transportation		(\$29,480)	
TOTAL STORM SEWER OPERATING FD (446)			\$0	\$0
SUBDIVISION PARK TRUST FUND (375)				
<i>Buena Vista Park Expansion</i>	Parks & Comm Fac Dev Capital Program		\$280,000	
Establishes a new appropriation to provide funding for the Buena Vista Park Expansion project. This allocation will provide funding to expand the existing park and playground including constructing an open turf area, picnic area, walkways, and installing new landscaping and trees. When this project is complete, the operating and maintenance impact to the General Fund is anticipated to be under \$10,000 annually. This project was not included in the 2009-2013 General Fund Forecast, which was released to the City Council on February 29, 2008. A related decrease to the Reserve: Future PDO/PIFO Projects is also included in this document.				

Special/Capital Funds Recommended Budget Adjustments Summary Annual Report 2007-2008

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
SUBDIVISION PARK TRUST FUND (375)				
<i>Cypress Senior Center Parking Lot Expansion & Outdoor Patio Feasibility</i>	Parks & Comm Fac Dev Capital Program		\$20,000	
Establishes a new appropriation to provide funding for the Cypress Senior Center Parking Lot Expansion and Outdoor Patio Feasibility project. This allocation will provide funding for feasibility work related to expanding the existing parking lot and constructing a new outdoor patio at Cypress Senior Center. A related decrease to the Reserve: Future PDO/PIFO Projects is also included in this document.				
<i>Del Monte Park Feasibility</i>	Parks & Comm Fac Dev Capital Program		\$86,000	
Establishes a new appropriation to provide funding for the Del Monte Park Feasibility project. This allocation will provide funding for the Department of Public Works Real Estate Services Division to perform appraisal work for several small parcels of land surrounding Del Monte Park. A corresponding decrease to the Reserve: Del Monte Park Development is also included in this document.				
<i>Earned Revenue</i>	Parks & Comm Fac Dev Capital Program			\$2,607,000
Increases the Earned Revenue estimate by \$2,607,000 to reflect the receipt of two in-lieu fees paid by Developers in July and August 2008. A related increase to the Martin Park Expansion project and the Reserve: Future PDO/PIFO Projects are included in this document.				
<i>Hitachi Turnkey Park Design Review and Inspection</i>	Parks & Comm Fac Dev Capital Program		\$714,000	
Increases the Hitachi Turnkey Park Design Review and Inspection project by \$714,000. This allocation will provide funding for design review and inspection costs related to three separate Hitachi Park projects including development of a 5.37 acre neighborhood park, 10.6 acre community park, and 1.0 acre neighborhood park. A corresponding decrease to the Reserve: Hitachi Turnkey Park is also included in this document. It is anticipated that operating and maintenance costs associated with the Hitachi Turnkey Park will be provided by Hitachi Global Storage Technologies, Inc. until April 2010, or provided by a new Community Facilities District, and would therefore have no impact to the General Fund.				
<i>Kirk Community Center Renovations</i>	Parks & Comm Fac Dev Capital Program		\$480,000	
Increases the Kirk Community Center Renovations project by \$480,000. This project is currently underbudgeted, therefore this additional allocation will ensure adequate funding to complete the project. Project elements include expanding the kitchen and lounge, improving the exterior walkways and lighting, and upgrading the electrical and telephone systems. When this project is completed, the net operating and maintenance impact to the General Fund is anticipated to be approximately \$83,000 annually. This project was not included in the 2009-2013 General Fund Forecast, which was released to the City Council on February 29, 2008. A related decrease to the Reserve: District 9 Park Site Acquisition "Northwest" Area and Reserve: Future PDO/PIFO Projects are also included in this document.				

Special/Capital Funds Recommended Budget Adjustments Summary Annual Report 2007-2008

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
SUBDIVISION PARK TRUST FUND (375)				
<i>Kirk Community Center Renovations Fixtures, Furnishings & Equip</i>	Parks & Comm Fac Dev Capital Program		\$232,000	
Establishes a new appropriation for the purchase of fixtures, furnishings and equipment (FF&E) for the newly renovated Kirk Community Center. This funding will enable the Parks, Recreation and Neighborhood Services Department to purchase FF&E items for the newly renovated facility. A related decrease to the Reserve: District 9 Park Site Acquisition "Northwest" Area and the Reserve: Future PDO/PIFO Projects are also included in this document.				
<i>Martin Park Expansion</i>	Parks & Comm Fac Dev Capital Program		\$2,092,000	
Increases the Martin Park Expansion project by \$2,092,000. This project is currently underfunded, and this additional allocation will ensure adequate funding is available to develop and construct the proposed park expansion on an existing landfill site. When this project is completed, the operating and maintenance impact to the General Fund is anticipated to be approximately \$66,000 annually. This project was included in the 2009-2013 General Fund Forecast, which was released to the City Council on February 29, 2008. The increased project cost is funded by in-lieu fees received by developers in July and August 2008.				
<i>Reserve: Del Monte Park Development</i>	Parks & Comm Fac Dev Capital Program		(\$86,000)	
Eliminates the Reserve: Del Monte Park Feasibility. This document includes a related action to establish an active appropriation for the Del Monte Park Feasibility project.				
<i>Reserve: District 9 Park Site Acquisition "Northwest" Area</i>	Parks & Comm Fac Dev Capital Program		(\$677,000)	
Eliminates the Reserve: District 9 Park Site Acquisition "Northwest" Area. This document includes related actions to establish an active appropriation for the Kirk Community Center Renovations Fixtures, Furnishings and Equipment project and to increase the Kirk Community Center Renovations project.				
<i>Reserve: Future PDO/PIFO Projects</i>	Parks & Comm Fac Dev Capital Program		(\$106,000)	
Decreases the Reserve: Future PDO/PIFO Projects to offset actions recommended in this document.				
<i>Reserve: Hitachi Turnkey Park</i>	Parks & Comm Fac Dev Capital Program		(\$714,000)	
Eliminates the Reserve: Hitachi Turnkey Park. This document includes a related action to increase the Hitachi Turnkey Park Design Review and Inspection project.				
<i>Reserve: Saint James Park Renovations Phase I</i>	Parks & Comm Fac Dev Capital Program		(\$750,000)	
Eliminates the Reserve: Saint James Park Renovations Phase I. This document includes a related action to establish an active appropriation to complete the Saint James Park Phase I Renovations project.				
<i>Ryland Pool Repairs</i>	Parks & Comm Fac Dev Capital Program		(\$15,000)	
Decreases the Ryland Pool Repairs project by \$15,000. This document includes a corresponding action reallocate this funding to the Ryland Pool Tile Restoration project.				

Special/Capital Funds Recommended Budget Adjustments Summary Annual Report 2007-2008

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
SUBDIVISION PARK TRUST FUND (375)				
<i>Ryland Pool Tile Restoration</i>	Parks & Comm Fac Dev Capital Program		\$15,000	
Establishes a new appropriation to provide funding for the Ryland Pool Tile Restoration project. This allocation will provide funding to restore the existing tiles at Ryland Pool. A corresponding decrease to the Ryland Pool Repairs project is also included in this document.				
<i>Saint James Park Renovations (Phase I)</i>	Parks & Comm Fac Dev Capital Program		\$750,000	
Establishes a new appropriation to provide funding for the Saint James Park Renovations (Phase I) project. This allocation will supplement existing San José Redevelopment Agency funds for the build-out of the Saint James Park Master Plan. Project elements included in Phase I of the build-out include renovations to the irrigation system, construction of new walkways, and upgrades to the park's electrical system. When this project is completed, the anticipated operating and maintenance impact to the General Fund is anticipated to be under \$10,000 annually. This project was not included in the 2009-2013 General Fund Forecast, which was released to the City Council on February 29, 2008. A corresponding decrease to the Reserve: Saint James Park Renovations Phase I is also included in this document.				
<i>Selma Olinder Dog Park</i>	Parks & Comm Fac Dev Capital Program		\$60,000	
Increases the Selma Olinder Dog Park project by \$60,000. This project is currently underfunded, and this additional allocation will ensure adequate funding is available to complete the construction of the dog park. The operating and maintenance costs associated with this facility were incorporated in the Parks, Recreation and Neighborhood Services Department budget in 2007-2008. A related decrease to the Reserve: Future PDO/PIFO Projects is also included in this document.				
<i>TRAIL: Bay Trail Reach 7 Land Acquisition</i>	Parks & Comm Fac Dev Capital Program		\$23,000	
Establishes a new appropriation to provide funding for the TRAIL: Bay Trail Reach 7 Land Acquisition project. This allocation will provide funding for an appraisal to be conducted to value lands required for recreational access along an existing levee maintenance road and may partially or fully support the purchase of the easement. A related decrease to the Reserve: Future PDO/PIFO Projects is also included in this document.				
<i>TRAIL: Lower Silver Creek/Silverstone Place</i>	Parks & Comm Fac Dev Capital Program		\$50,000	
Establishes a new appropriation for the TRAIL: Lower Silver Creek/Silverstone Place project. This allocation will provide supplemental funding to an existing project in the Council District 5 Construction and Conveyance Tax Fund. The additional funds are needed for project management costs, as well as design changes related to the future construction of a .3 mile trail segment along Lower Silver Creek. The operating and maintenance costs associated with the new trail segment were incorporated in the Parks, Recreation and Neighborhood Services Department budget in 2007-2008. A related decrease to the Reserve: Future PDO/PIFO Projects is also included in this document.				

Special/Capital Funds Recommended Budget Adjustments Summary Annual Report 2007-2008

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
SUBDIVISION PARK TRUST FUND (375)				
TRAIL: Penitencia Creek Reach VI	Parks & Comm Fac Dev Capital Program		\$15,000	
Establishes a new appropriation to provide funding for the TRAIL: Penitencia Creek Reach VI project. This allocation will provide funding to construct trail improvements along Penitencia Creek Trail, from King Road to Mabury Road. Additional funding of \$150,000 is recommended to be allocated in the Council District 4 Construction and Conveyance Tax Fund for costs associated with this project. When this project is complete, the operating and maintenance impact to the General Fund is anticipated to be approximately \$10,000-\$15,000 annually. This project was not included in the 2009-2013 General Fund Forecast, which was released to the City Council on February 29, 2008. A related decrease to the Reserve: Future PDO/PIFO Projects is also included in this document.				
Vista Park Turnkey Park	Parks & Comm Fac Dev Capital Program		\$108,000	
Establishes a new appropriation to provide funding for the Vista Park Turnkey Park project. This allocation will supplement the Developer's in-lieu fees for improvements to the park over and above the Developer's obligation. When this project is complete, the operating and maintenance impact to the General Fund is anticipated to be approximately \$15,000 annually. This project was not included in the 2009-2013 General Fund Forecast, which was released to the City Council on February 29, 2008. A related decrease to the Reserve: Future PDO/PIFO Projects is also included in this document.				
West San José Community Center Dance Room Renovation	Parks & Comm Fac Dev Capital Program		\$30,000	
Establishes a new appropriation for the West San José Community Center Dance Room Renovation project. This allocation will provide funding for renovations to the dance floor and installation of a projector and screen in the dance room of the West San José Community Center. A related decrease to the Reserve: Future PDO/PIFO Projects is also included in this document.				
TOTAL SUBDIVISION PARK TRUST FUND (375)			\$2,607,000	\$2,607,000
SUPPL LAW ENF SVCES FUND (414)				
Ending Fund Balance Adjustment	Police		(\$38,602)	
Reduces the Ending Fund Balance to fund actions recommended in this report.				
SLES Grant 2004-06	Police		\$24,867	
Appropriates funding that was unexpended and unencumbered by June 30, 2006 in order to return the unused balance to the State.				
SLES Grant 2005-2007	Police		\$13,735	
Appropriates funding that was unexpended and unencumbered by June 30, 2007 in order to return the unused balance to the State.				
TOTAL SUPPL LAW ENF SVCES FUND (414)			\$0	\$0
SWG TRMNT PLNT CON FEE FD (539)				

Special/Capital Funds Recommended Budget Adjustments Summary Annual Report 2007-2008

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
SWG TRMNT PLNT CON FEE FD (539)				
<i>Fiber Optics Loan Repayment</i>	Environmental Services		\$1,802,695	\$1,802,695
Increases the transfer to the Sewage Treatment Connection Fee Fund for the repayment of a portion of a loan that was provided by the Sewage Treatment Connection Fee Fund for the construction of a fiber optic conduit. Additional revenue is available from the General Fund, which is passed to this fund through the Fiber Optics Development Fund.				
<i>Tech Adjust: PG&E Land Settlement Proceeds</i>	Environmental Services		\$113,744	\$113,744
Increases the estimate for Loan Repayments and the Reserve for Plant Expansion to reflect the interest for the repayment of proceeds from a PG&E land settlement that was originally transferred in 2007-2008 from the Sewage Treatment Plant Connection Fee Fund to the General Fund. This payment, however, should have been made from the San José-Santa Clara Treatment Plant Income Fund. It is recommended in this document that the repayment of this loan and associated interest be made from the San José-Santa Clara Treatment Plant Income Fund, through the General Fund.				
TOTAL SWG TRMNT PLNT CON FEE FD (539)			\$1,916,439	\$1,916,439
TRANSIENT OCCUPANCY TX FD (461)				
<i>Cultural Organizations</i>	Convention Facilities Dept		\$241,250	
Increases funding to the Fine Arts Commission for distribution to various cultural organizations that receive funding from the Transient Occupancy Tax (TOT) based on the higher tax collections received in 2007-2008. Per City Ordinance, the Fine Arts Commission receives 25% of the increase in TOT tax receipts. This action is necessary to adjust the Commission's share of 2007-2008 tax receipts.				
<i>Ending Fund Balance Adjustment</i>	Convention Facilities Dept		(\$4,000)	
Reduces the Ending Fund Balance to fund actions recommended in this report.				
<i>Reserve for Future Distribution</i>	Convention Facilities Dept		(\$961,000)	
Liquidates the Reserve for Future Distribution. In the 2007-2008 Adopted Budget, a Reserve for Future Distribution was established based on the assumption that TOT tax receipts would exceed the budgeted revenue estimate in 2007-2008. Now that the estimated revenues have been realized, the reserve will be distributed to the three recipient organizations: Convention and Visitors Bureau (\$240,250); Convention and Cultural Affairs Fund (\$480,500); and Cultural Grants (\$240,250).				
<i>San José Convention and Visitors Bureau</i>	Convention Facilities Dept		\$241,250	
Increases funding to the San José Convention and Visitors Bureau (CVB) based on the higher Transient Occupancy Tax (TOT) collections received in 2007-2008. Per City Ordinance, the CVB receives 25% of the increase in TOT tax receipts. This action is necessary to adjust the CVB's share of 2007-2008 tax receipts.				

Special/Capital Funds Recommended Budget Adjustments Summary Annual Report 2007-2008

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
TRANSIENT OCCUPANCY TX FD (461)				
<i>Transfer to the Convention and Cultural Affairs Fund</i>	Convention Facilities Dept		\$482,500	
Increases funding to the Convention and Cultural Affairs Fund based on the higher Transient Occupancy Tax (TOT) collections received in 2007-2008. Per City Ordinance, the Convention and Cultural Affairs Fund receives 50% of the increase in TOT tax receipts. This action is necessary to adjust Convention and Cultural Affairs' share of 2007-2008 tax receipts.				
<i>Office of Cultural Affairs Cultural Grants</i>	Economic Development		(\$360,280)	
Decreases the Cultural Grants unallocated grants allocation to offset the establishment of an appropriation to support the Office of Cultural Affairs Remodel project.				
<i>Office of Cultural Affairs Remodel</i>	Economic Development		\$360,280	
Establishes a new appropriation for the Office of Cultural Affairs (OCA) office remodel. Total estimated project costs of \$740,000 include: construction, project management, furniture, fixtures, and equipment, and costs associated with temporary relocation. Funding of \$380,000 was allocated in 2007-2008 in the Convention and Cultural Affairs Fund. This recommended augmentation will align funding for this project with estimated costs. A corresponding reduction to the Cultural Grants unallocated grants allocation is recommended in this to offset this adjustment.				
TOTAL TRANSIENT OCCUPANCY TX FD (461)			\$0	\$0
UNEMPLOYMENT INSUR FD (157)				
<i>Retirement Pre-Payment Reserve</i>	Human Resources		\$635	
As discussed in the General Fund Recommended Budget Adjustments Summary Section of this report, establishes a reserve from retirement pre-payment savings for final payroll amounts related to the pre-payment of the City's contribution to its two retirement plans. If this reserve level proves to be overfunded, it is recommended that the savings be used towards funding the City's GASB 43/45 health care liability.				
<i>Retirement Pre-Payment Savings</i>	Human Resources		(\$635)	
TOTAL UNEMPLOYMENT INSUR FD (157)			\$0	\$0
VEHICLE MAINT & OPER FUND (552)				
<i>Retirement Pre-Payment Reserve</i>	General Services		\$46,653	
As discussed in the General Fund Recommended Budget Adjustments Summary Section of this report, establishes a reserve from retirement per-payment savings for final payroll amounts related to the pre-payment of the City's contribution to its two retirement plans. If this reserve level proves to be overfunded, it is recommended that the savings be used towards funding the City's GASB 43/45 health care liability.				
<i>Retirement Pre-Payment Savings</i>	General Services		(\$45,707)	

Special/Capital Funds Recommended Budget Adjustments Summary Annual Report 2007-2008

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
VEHICLE MAINT & OPER FUND (552)				
<i>Retirement Pre-Payment Savings</i>	Information Technology		(\$946)	
TOTAL VEHICLE MAINT & OPER FUND (552)			\$0	\$0
WATER UTILITY FUND (515)				
<i>Retirement Pre-Payment Reserve</i>	Environmental Services		\$24,017	
As discussed in the General Fund Recommended Budget Adjustments Summary Section of this report, establishes a reserve from retirement pre-payment savings for final payroll amounts related to the pre-payment of the City's contribution to its two retirement plans. If this reserve level proves to be overfunded, it is recommended that the savings be used towards funding the City's GASB 43/45 health care liability.				
<i>Retirement Pre-Payment Savings</i>	Environmental Services		(\$20,014)	
<i>Retirement Pre-Payment Savings</i>	Finance		(\$1,460)	
<i>Retirement Pre-Payment Savings</i>	Information Technology		(\$2,543)	
TOTAL WATER UTILITY FUND (515)			\$0	\$0
WORKFORCE INVSTMNT ACT FD (290)				
<i>Administration</i>	Economic Development		\$468,002	\$468,002
Recognizes and appropriates unspent funding from the 2007-2008 State allocation for the Administration appropriation in the amount of \$404,735 and recognizes revenue in the amount of \$63,267 for expenditures already incurred or expected to be incurred in 2008-2009.				
<i>Adult Workers</i>	Economic Development		\$476,027	\$476,027
Recognizes and appropriates unspent funding from the 2007-2008 State allocation for Adult Workers.				
<i>Contingency Reserve</i>	Economic Development		\$464,659	\$464,659
Recognizes and appropriates funding to increase the Contingency Reserve to be 15% of the 2008-2009 State allocation.				
<i>Dislocated Workers</i>	Economic Development		\$1,005,293	\$1,005,293
Recognizes and appropriates unspent funding from the 2007-2008 State allocation for Dislocated Workers.				
<i>State Incentive Award</i>	Economic Development		\$49,000	\$49,000
Recognizes funding from the State and establishes an appropriation for the State Incentive Award. Work2future received this incentive award for exemplary performance by meeting the program's performance measures.				

Special/Capital Funds Recommended Budget Adjustments Summary Annual Report 2007-2008

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
WORKFORCE INVSTMNT ACT FD (290)				
<i>Youth Workers</i>	Economic Development		\$1,379,609	\$1,379,609
Recognizes and appropriates unspent funding from the 2007-2008 State allocation for Youth Workers.				
TOTAL WORKFORCE INVSTMNT ACT FD (290)			\$3,842,590	\$3,842,590